

ELEVATING IMPACT

2025
Annual Report



Alberta Pensions
Services Corporation



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Elevating Impact

Having marked our 30th anniversary, we remained steadfast in our commitment to elevating impact. By embracing innovation, fostering collaboration, and critically refining our focus, we continually enhanced how we served our clients, their members and employers, and supported our staff.

Elevating impact is a mindset that drives us forward, ensuring that every action we take is intentional, strategic, and rooted in our values.

Treaty Land Acknowledgement

APS' services extend across Alberta, including Treaty Six, Treaty Seven, and Treaty Eight Territories. We respect the histories, languages, and cultures of First Nations, Métis, Inuit, and all First Peoples throughout Alberta and across Canada, whose presence continues to enrich the communities we serve.

MISSION, VISION, AND VALUES

Mission

Our purpose.

As a pension administrator serving Albertans, we are knowledgeable, caring professionals committed to guiding the pension experience, delivering the highest standard of accurate, cost-effective service.

Vision

What we strive to achieve.

Relentlessly pursuing excellence in pension benefits administration, to serve those who serve Albertans.

Values

Drive us to do the right thing.

Service: We make every interaction count.

Quality: What we do, we do well.

Accountability: We take responsibility.

Who We Are

APS is dedicated to providing an exceptional pension experience to members, retirees, and employers. In collaboration with our clients and the Government of Alberta, we deliver services on behalf of seven public sector pension plans and two supplementary retirement plans:

- LAPP
- Public Service Pension Plan (PSPP)
- Special Forces Pension Plan (SFPP)
- Management Employees Pension Plan (MEPP)
- Public Service Management (Closed Membership) Pension Plan (PSM[CM]PP)
- Members of the Legislative Assembly Pension Plan (MLAPP)
- Supplementary Retirement Plan for Public Service Managers (SRP)
- Provincial Judges and Applications Judges Registered and Unregistered Pension Plans (JPP)
 - Judges Registered Pension Plan (JRPP)
 - Judges Unregistered Pension Plan (JU PP)

What We Do

APS provides valuable pension benefits administration services to over 520 participating employers across Alberta. We also provide trusted pension-related services to nearly 450,000 members and retirees around the world, administering pension plan funds annually through receipts and disbursements in excess of seven billion dollars. Some of our reliable pension services include:

- Contributions management
- Member, retiree, and employer information management
- Data analytics and reporting
- Member, retiree, and employer communications
- Benefit calculations
- Disbursements to and from employers, members, retirees, and other pension plans
- Policy development and implementation
- Compliance, regulatory, and plan financial reporting
- Strategic support for clients, including communications and branding, member and employer education, policy interpretation, actuarial coordination, and plan change implementation



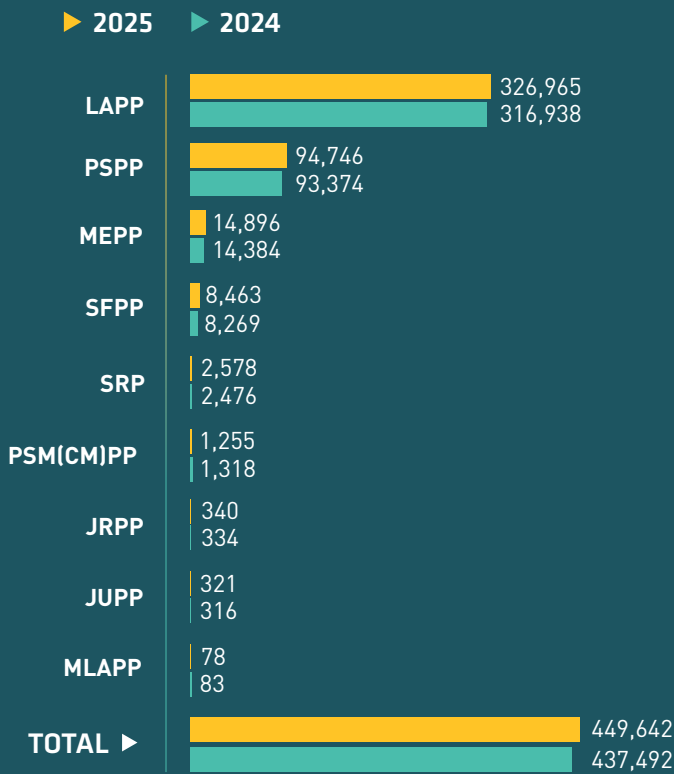
Special Forces Pension Plan



WHO WE SERVE

The number of members, retirees, and employers we serve continues to grow.

Total Members and Retirees by Plan



Total Memberships

Active

▶ **239,934**

Deferred

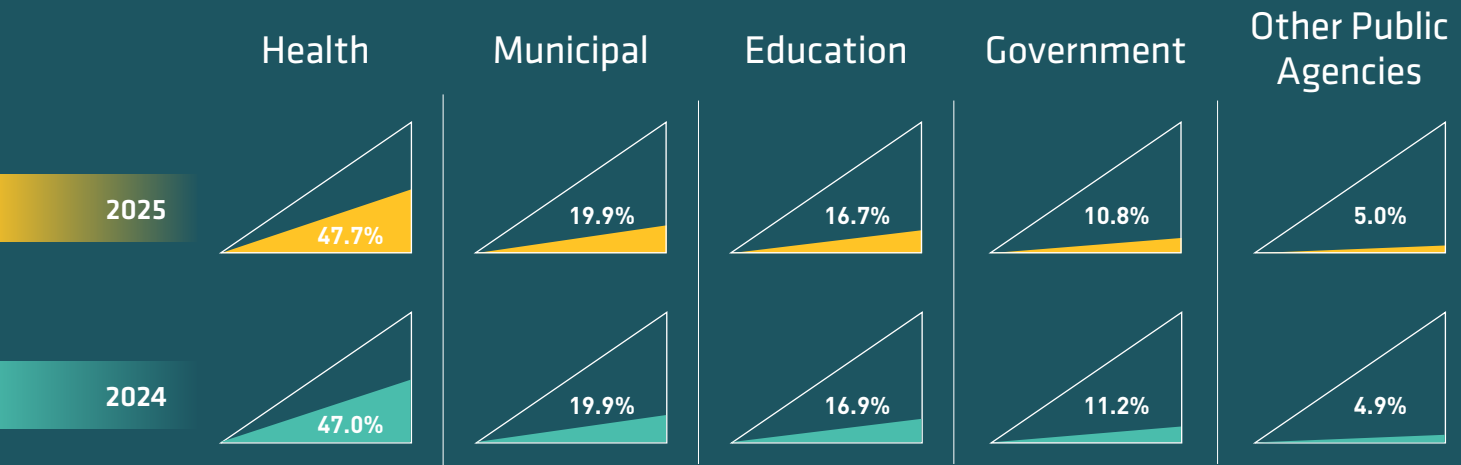
▶ **67,996**

Retired

▶ **141,712**

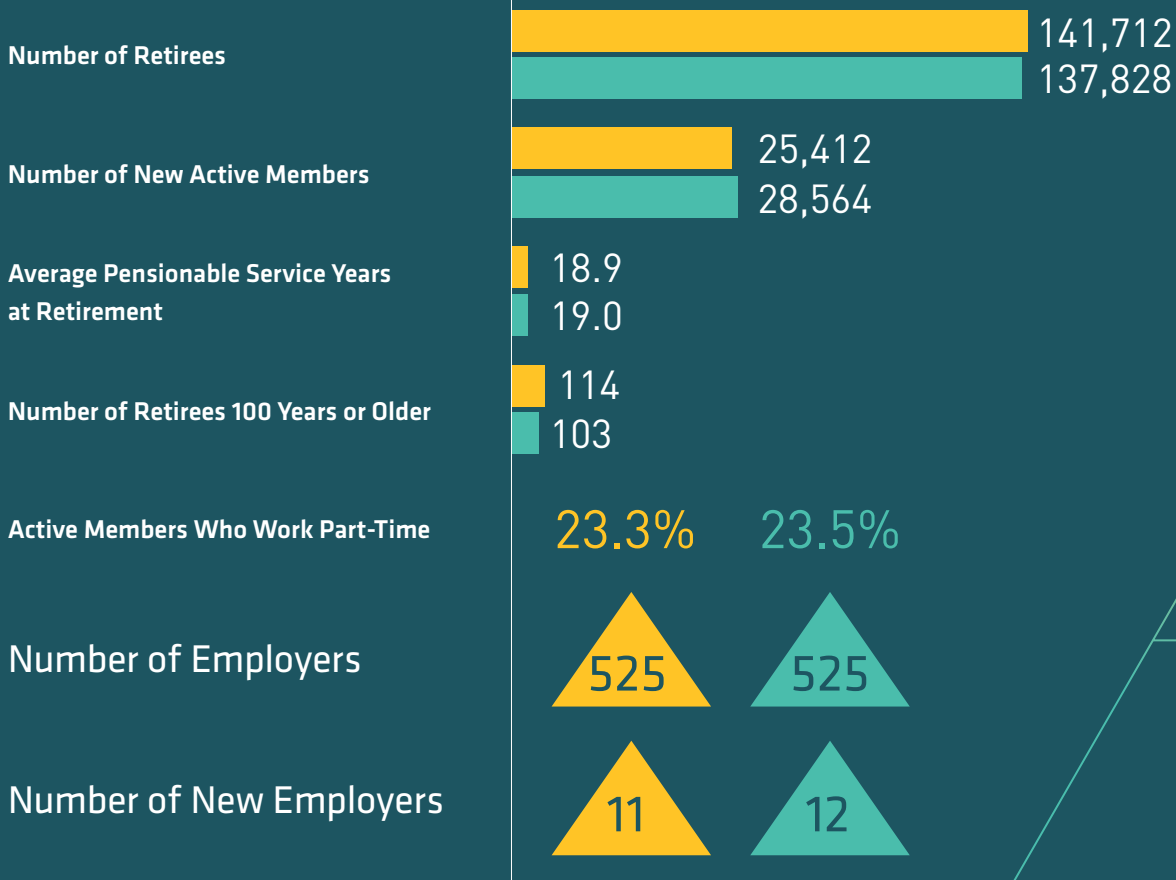


Plan Members by Sector (All Plans)



Members and Retirees

◀ 2025 ◀ 2024



*In 2025, 11 new employers joined the plans, while 11 employers exited, resulting in no net change to the total number of employers.

MESSAGE FROM THE BOARD CHAIR



We remain committed to enabling APS to deliver impactful, high-quality services that reflect the trust placed in us by our clients and the Albertans they serve.

Colin P. MacDonald

The theme of the 2025 Annual Report—**Elevating Impact**—reflects Alberta Pensions Services Corporation’s (APS) commitment to delivering exceptional service to our clients, their members and employers, and to each other. This past year, the Board focused on ensuring that APS continues to raise the standard of pension administration in Alberta by emphasizing quality, innovation, and operational excellence.

Throughout 2025, the Board worked closely with APS leadership to ensure that every initiative, investment, and decision meaningfully enhanced the pension experience. Our oversight centred on supporting an organization that strives not only to meet expectations, but to consistently elevate them.

We remain committed to enabling APS to deliver impactful, high-quality services that reflect the trust placed in us by our clients and the Albertans they serve.

Board Meetings in 2025

Throughout the year, the Board provided governance, oversight, and strategic guidance to help APS advance its priorities and continue elevating the client and member experience.

Governance and Strategic Oversight

The Board actively oversaw the corporation’s strategy, budget, performance scorecards, risk management, compliance obligations, and the numerous operational plans APS executes each year. We continued to have a productive and collaborative working relationship with the APS management team.

Approval of 2024 Audited Financial Statements and Annual Report

At the April meeting, the Board reviewed and approved the corporation’s audited financial statements and the 2024 Annual Report, ensuring financial transparency and alignment with reporting requirements.

Pension Services Agreements

A major focus this year was the review of new Pension Services Agreements (PSAs) for LAPP, PSPP, and SFPP. The Board assessed the agreements at various stages of development and ultimately approved them, supporting strengthened clarity, accountability, and client alignment.

Responsible Artificial Intelligence, Security, and Ethical Use

Building on previous work, the Board received several presentations on responsible artificial intelligence (AI), security, and ethics. These discussions guided APS in developing thoughtful, responsible approaches to emerging technologies and reinforced the importance of safeguarding member data and organizational integrity.

APS Strategic Plan

The Board provided strategic leadership in shaping the direction of the corporation’s draft Strategic Plan. This work continues to be foundational as APS defines priorities designed to elevate service quality and operational impact in the years to come.

Ongoing Collaboration with APS Leadership

Throughout the year, the Board reviewed materials brought forward by the APS management team and provided input and feedback to support informed decision making and continuous improvement.

Looking Ahead

As APS looks to the future, the Board remains confident in the organization’s ability to deliver pension services that are modern, secure, and deeply client focused. We will continue to challenge ourselves and APS leadership to seek opportunities that elevate the impact of our work, whether through improved processes, new tools, or innovative approaches that benefit members, employers, and clients.

Acknowledgments

On behalf of the Board, I would like to extend our appreciation to our clients for their support, and to APS staff for their professionalism, dedication, and commitment to excellence. Your expertise and care continue to drive the organization’s success and demonstrate what it means to elevate impact every day.

Sincerely,

Colin P. MacDonald, K.C., ICD.D

Chair, APS Board of Directors

MESSAGE FROM THE CEO:

A Year of Progress, Partnership, and Elevated Impact

In 2025, APS set its sights on elevating impact for our clients, for their members, and for Alberta's public sector pension landscape. After a period of meaningful transition, our executive team focused on strengthening the foundation that allows APS to deliver exceptional service today while preparing for the opportunities ahead. This past year, we concentrated on deepening alignment with our clients, enhancing internal and external collaboration, and embracing new technologies that advance automation and improve efficiencies across the organization. These efforts reflect our commitment to delivering measurable value and elevating the impact we have on the people we serve. We also welcomed three new executive team members whose leadership brought fresh perspectives, strengthened our strategic capabilities, and accelerated our progress.

Our clients entrust us with a vital responsibility. To honour that trust, we advanced our work on a shared foundation, ensuring that our operations, service channels, and strategic plans are aligned with the needs and priorities of the pension plans we administer. Strengthening our client engagement model, refreshing our cross-organizational collaboration, and focusing on shared goals all positioned us to support our clients' strategic goals with greater clarity and confidence.

Our focus on consistency and excellence is reflected in our operational achievements. In 2025, APS once again delivered strong and reliable results across our core metrics, maintaining the high standards our clients and their members expect. We also celebrated earning our fourth consecutive Alberta Top Employer award; this accomplishment speaks to the dedication, resilience, and values-driven culture of the APS team. Our people are the heart of our impact, and their commitment is what elevates the member experience every day.

Technology and innovation also played a significant role in our progress this year. We advanced key automation initiatives and implemented tools that streamlined processes, increased accuracy, and improved the member and employer experience. These improvements position APS to remain a leading pension administrator, capable of adapting to transition while continually improving our services.

Throughout 2025, we refocused our efforts on strengthening relationships with our clients and on understanding how we can best support their mandates. By anchoring our work in collaboration, service excellence, and continuous improvement, we are building the organizational strength needed for the future, where APS continues to elevate its impact as a trusted partner and a top pension administrator in Canada. As we look ahead, our commitment remains unwavering: to deliver service that reflects our values, results that demonstrate our capabilities, and partnerships that continue to grow stronger. With the support of our Board, our clients, our shareholder, and our dedicated staff, APS is positioned to further elevate our impact in the years to come.

Doug Woloshyn

President & Chief Executive Officer



APS continues to elevate its impact as a trusted partner and a top pension administrator in Canada.

Doug Woloshyn

APS CELEBRATES 30 YEARS

On Aug. 10, 2025, APS celebrated a major milestone: 30 years of guiding the pension experience for Alberta's public sector.



Since our incorporation in 1995 under the *Alberta Business Corporations Act*, APS has grown into a leading high-service, low-cost pension administrator, now serving nearly 450,000 members and retirees.

Collaboration has been central to that journey. We are proud to work alongside our clients as trusted partners, delivering valued pension services and supporting the long-term sustainability of their pension plans. Together, we have built a foundation of trust, transparency, and shared purpose that continues to define how we elevate our impact in the pensions industry.

Over the last three decades, our commitment to administration excellence has remained constant, even as the needs of our clients, members, and the broader pension landscape have evolved. From the paper-driven processes of 1995 to today's digitally enabled services, we have made significant strides in modernizing the pension experience. Nearly half of retirement finalizations are now completed through our online platform, streamlining workflows and providing members with a more intuitive, efficient experience.

While technology continues to shape our future, our greatest strength remains our people. APS was proud to be named one of Alberta's Top 85 Employers for 2025, reflecting our supportive, collaborative, and forward-looking culture. This recognition underscores our investment in our employees and reinforces our belief that empowered people deliver exceptional service.

As we move into our 31st year, we remain focused on advancing our digital capabilities, deepening client partnerships, and continuing to deliver high-quality, cost-effective pension administration for Alberta's public sector.

REACHING NEW HEIGHTS: OFFICE UPDATES

Calgary Office Elevates Accessibility and Service

Recognizing the distribution of plan members and employers across Alberta, in 2025, APS began preparations to establish a presence in southern Alberta, launching an office in the heart of downtown Calgary. This expansion represents more than a new address; it's a commitment to delivering on our clients' strategies.

The new office, which opened March 16, 2026, offers a welcoming, professional space designed to support members through in-person, one-on-one retirement sessions, available by appointment.

By establishing a presence in Calgary, APS is positioned to help fulfill client strategies by meeting more members where they are, strengthening relationships across southern Alberta, and delivering the same trusted expertise with greater convenience.

This investment underscores our commitment to elevating the member experience and delivering innovative, accessible services that ensure every member feels supported, regardless of where they live.



Edmonton Office Continues to Deliver In-Person Service and Collaboration

The Edmonton office continues to play an essential role in serving members and employers across central and northern Alberta, providing accessible, in-person support alongside APS' broader service delivery. In 2025, staff delivered more than 600 in-person, one-on-one retirement sessions at the Edmonton office, supporting members in a professional, welcoming environment.

Beyond member service, the modernized Edmonton office supports how APS teams work together. Staff regularly come into the office to collaborate, plan, and connect in person, using shared spaces designed to support teamwork, learning, and cross-functional engagement. These in-office interactions strengthen relationships, support effective hybrid work, and enhance how services are delivered to members and employers.

A FOCUS ON EMPLOYEE ENGAGEMENT

Engaged employees bring energy, motivation, and a strong commitment to delivering excellent service, making engagement a critical driver of organizational success at APS. Each year, our Employee Engagement Survey provides a meaningful opportunity for staff to share their experiences, highlight what is working well, and identify areas for continued growth. It is one of our most important tools for strengthening culture and building trust across APS.

Participation reached a new milestone with 319 employees responding, a 90.8% response rate, up 5.2% from 2024. This level of participation speaks to the value employees place on having a voice in shaping their workplace.

We enhanced our Employee Engagement Survey by partnering with a new research-backed survey provider to supply us with more robust data and a deeper look at engagement across organizational, job, and individual drivers. The results show several areas of strong performance:

- ▶ Working Environment scored an exceptional 94.3%, supported by positive feedback on remote-work flexibility
- ▶ Inclusion (80.6%) and Culture (79.7%) remain key strengths, demonstrating that employees feel connected to APS values and comfortable being themselves at work
- ▶ Coworker Relationships achieved 83.5%, showing strong collaboration and team connection even in a hybrid-work environment

The 2025 engagement results reaffirm that APS continues to perform above industry benchmarks while building a more detailed understanding of the employee experience. With clearer insights and stronger data than ever before, we are well-positioned to keep improving our culture and elevating our impact together.

TALENT DEVELOPMENT AND ORGANIZATIONAL EFFECTIVENESS

In alignment with the 2025–2027 Business Plan, 2025 was a year of significant investment in developing our leaders and strengthening how we work together. Across APS, we advanced our commitments in team effectiveness, leadership capability, onboarding, performance management, and succession planning, all aimed at building a strong, engaged, and future-ready organization.

Team and Leadership Effectiveness

APS expanded its leadership development offerings with a comprehensive suite of training focused on building confident, capable leaders at every level. Employees and leaders participated in targeted workshops on communicating with impact, coaching skills, delivering effective performance-management conversations, meeting effectiveness, and navigating change.

We continued to provide team-wide and individual leadership coaching to help teams stay connected to their purpose and strengthen collaboration across APS. Each engagement began with a team assessment to ensure development support was tailored and meaningful.

Strengthening the Onboarding Experience

The APS onboarding journey saw enhancements, including a refreshed semi-annual welcome session with new content on building a respectful and inclusive workplace.

To better support new people leaders, we introduced a dedicated Manager Onboarding Program that offers structured guidance and learning touchpoints throughout a leader's first year. This program is designed to build confidence, enhance engagement, and contribute to long-term retention and organizational effectiveness.

Performance Management and Succession Planning

An updated Achievement Indicator Matrix was shared with staff, providing clearer expectations and a stronger foundation for performance excellence as we moved toward 2026.

We also advanced our succession planning by identifying critical roles for APS' long-term success and assessing current and emerging talent. This allows us to proactively develop potential successors and ensure APS remains resilient and well prepared for the future.

ELEVATING EMPLOYEE CONNECTIONS

Fostering meaningful connection remains a key part of the APS employee experience, and our annual staff events continue to bring people together in ways that strengthen culture, build relationships, and celebrate shared success. Organized by the Values, People, Culture Committee, these events provide employees with opportunities to gather in person, reflect on accomplishments, and enjoy time with colleagues in a supportive and lively environment.

This year's Summer Luncheon, held on June 13, 2025, brought employees together for an afternoon of connection, team-building, and a special Town Hall in celebration of APS' 30th anniversary. The event included a buffet lunch, breakout sessions, and activities designed to strengthen collaboration and reinforce APS' commitment to fostering an engaging workplace.

To close the year, the Winter Luncheon took place in November. This year's theme, "Party Like It's 1995," celebrated APS' history with fun, '90s-inspired décor and programming. The event featured a buffet lunch, prize draws, and a panel discussion with our executive team, giving staff the chance to hear directly from leadership and celebrate organizational achievements. Staff attended this celebratory year-end gathering to mark the end of our 30th anniversary year.

In keeping with our commitment to community impact, both events supported Edmonton's Food Bank, continuing the long-standing partnership championed through our Charity of Choice program. Between the two events, staff donated over 50 kilograms of food items and \$4,900 in monetary donations to help support families across Edmonton. Additionally, several staff opted for semi-monthly payroll deductions on an ongoing basis, enabling APS to donate another \$3,095 in 2025.

Together, these events embody APS' values of service, quality, and accountability, and reinforce our belief that fostering a strong, engaged culture starts with bringing people together.



STAFF RECOGNITION

Recognition continues to be a defining part of APS' culture. In 2025, employees and leaders shared 6,850 moments of appreciation, an average of 28 recognitions every workday. This level of engagement reflects how deeply our values of service, quality, and accountability are embedded in everyday interactions.

Moments of Appreciation

▶ **6,850**

Average Recognitions Per Workday

▶ **28**

Our values-based recognition program ensures appreciation is more than a gesture; it is a strategic driver of engagement, connection, and performance. By tying recognition directly to our values, we reinforce behaviours that strengthen our service to members and support a positive, high-performing workplace.

Peer-to-peer recognition remains a powerful feature of the program. It empowers employees at all levels to acknowledge one another, builds camaraderie, and keeps contributions visible through our online platform.

Since relaunching the updated recognition program in 2023, participation has continued to rise. What began with an impressive 92% utilization rate has grown even stronger, reaching 98% in 2025, a clear indicator of how deeply recognition is embraced across APS.

Our recognition program remains one of the key drivers of connection and positivity at APS, helping us celebrate one another while reinforcing the values that guide our work and our impact on the clients we serve.

Program Utilization
in 2025

▶ **98%**

Program Utilization
in 2023

▶ **92%**

A TOP EMPLOYER IN ALBERTA

APS is proud to be named one of Alberta's Top Employers for 2025, recognizing our ongoing commitment to creating an exceptional workplace where people feel supported, valued, and inspired to do their best work.



This designation reflects several core strengths that continue to differentiate APS:

- ▶ **Employee Well-Being and Benefits:** Comprehensive health, financial, and family benefits, including flexible spending accounts, mental health support, and enhanced leave programs.
- ▶ **Career Growth and Development:** Robust leadership development, job-related education funding, and a strong focus on internal mobility that helps employees build long-term careers.
- ▶ **Innovation and Digital Modernization:** Continued investment in digital transformation and process improvements that empower employees and elevate service delivery.
- ▶ **Flexible and Supportive Work Environment:** A culture grounded in collaboration, caring, and open communication supported by flexible work arrangements that help employees thrive.
- ▶ **Engagement and Culture:** Programs that strengthen connection, recognition, and shared purpose across teams, reinforcing our commitment to service, quality, and accountability.
 - \$1,000 mental health practitioner benefit
 - 100% job-related and career development funding
 - \$1,250 per year flexible spending account
 - 16 weeks of maternity leave at up to 95% top-up of salary

Being recognized as a top employer reflects the dedication and expertise of every APS employee. Together, we continue to create a workplace where people are proud to contribute and where our shared commitment to serving Albertans remains at the heart of everything we do.

What We Do BY THE NUMBERS

Number of New Active Members in 2025

▶ **25,412**

Decreased by 11.0% from 28,564 in 2024

Number of New Retirees in 2025

▶ **7,930**

Increased by 2.7% from 7,724 in 2024

Average Annual Pension Amount in 2025

▶ **\$26,082**

Increased by 0.8% from \$25,866 in 2024

Average Annual Pension Amount for
New Pensions in 2025

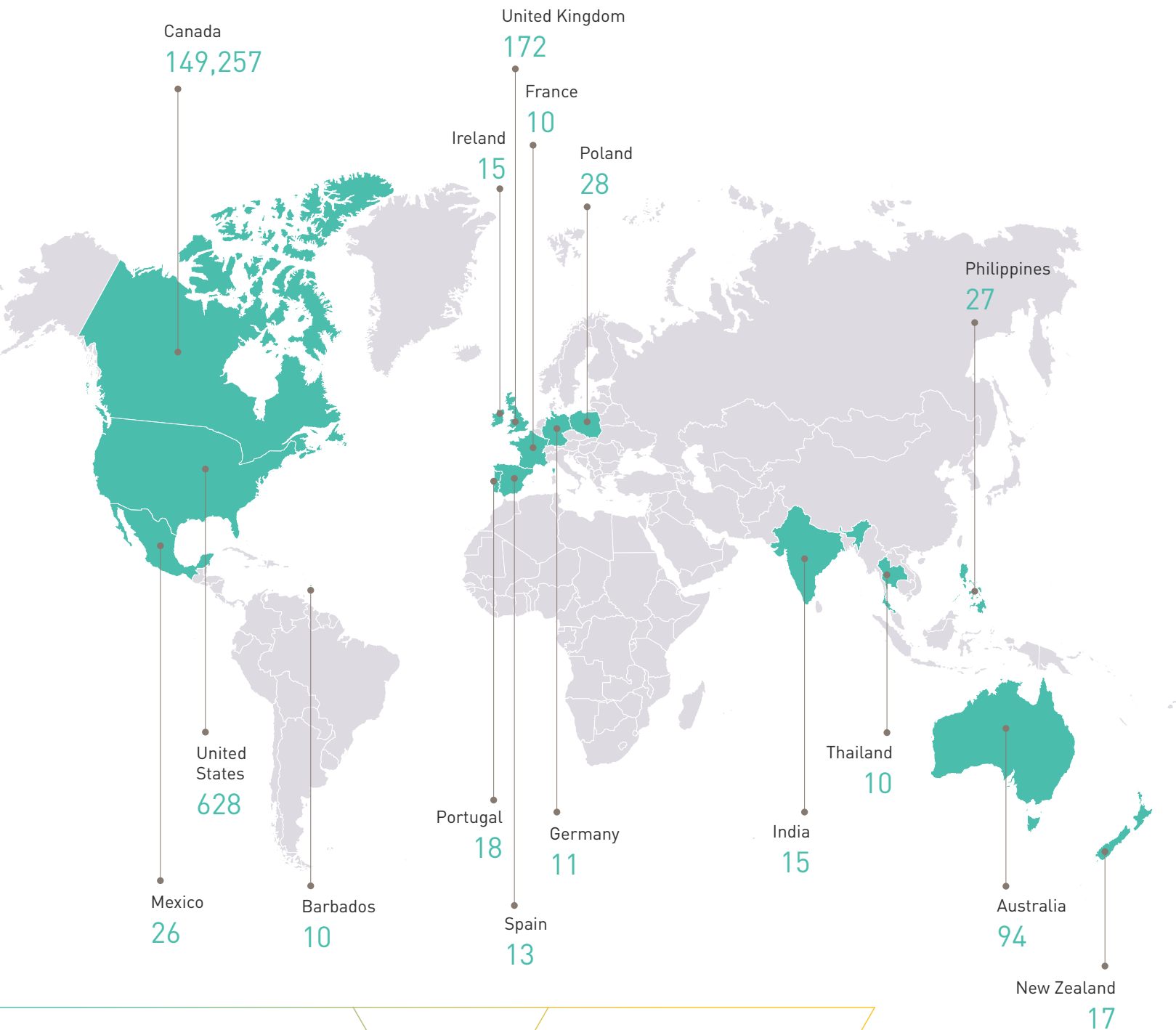
▶ **\$53,089**

Increased by 3.0% from \$51,545 in 2024



① Abraham Lake. August 2025. Photo: Sophia Blumin, APS.

PAYEES AROUND THE WORLD



Total Payees
▶ 150,525

*The numbers above include all pensioners, beneficiaries, and termination payments.

Other Countries
▶ 174 PAYEES

(less than 10 payees each)

FUNDS ADMINISTERED

Funds Administered

Members and Retirees

2025

▶ \$7.5B

▶ 449,642

In 2025, APS was responsible for administering \$7.5 billion of funds across the nine pension plans we serve. This amount includes receipts and disbursements to and from employers, members, retirees, and other pension plans.

2020

▶ \$6.6B

▶ 384,951

2015

▶ \$5.9B

▶ 350,338

2010

▶ \$3.7B

▶ 304,514

SHOWING VALUE: CEM SCORES

At APS, elevating impact means continuously strengthening how we serve plan members, retirees, and employers. In 2025, we pushed this commitment even further, refining processes, enhancing service delivery, and deepening collaboration across the organization to create measurable improvements in member experience and operational efficiency.

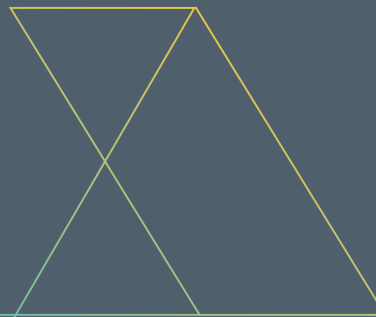
Our work to innovate and optimize the service journey is reflected in our consistent performance within the Cost Effectiveness Measurement (CEM) program. By critically examining our service model each year and aligning our strategies with client needs, we continue to deliver high value at lower cost compared to our Canadian public-sector peers.

Since 2017, APS' administration cost per member has remained significantly lower than that of other Canadian pension administrators participating in the CEM survey. At the same time, our total service score has consistently met or exceeded peer results, demonstrating that our focus on quality service enhancements continues to pay off.

Each year, APS submits detailed operating costs, membership, and transactional data to CEM Benchmarking Inc. This process allows us to reflect on our performance, identify opportunities to elevate service, and stay aligned with evolving industry expectations. The 2024 survey results, released in 2025, show that APS once again delivered both high service and low cost, achieving:

- A strong total service score of 86 out of 100, above the peer average of 82, reflecting our commitment to continuously enhance the member experience.
- A cost per member of \$165, \$94 lower than the peer average, an outcome supported by our ongoing work to streamline processes, embrace innovation, and improve alignment across business areas.
(Cost-per-member measure includes retirees.)

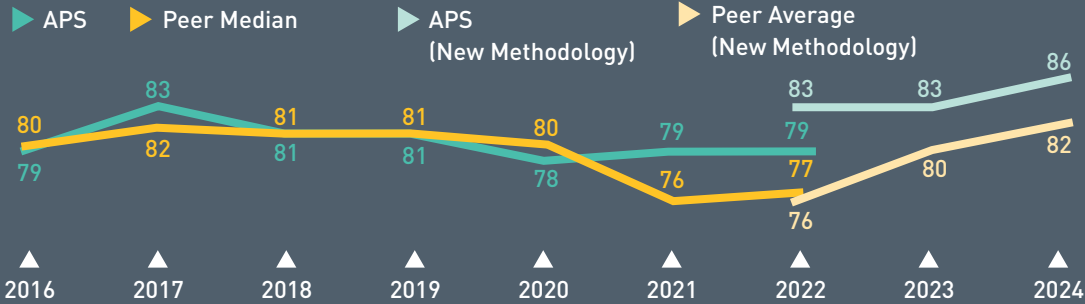
High-Service/ Low-Cost	
APS (86 / \$165) ▲	High-Service/ High-Cost
Low-Service/ Low-Cost	Low-Service/ High-Cost



SHOWING VALUE: CEM SCORES

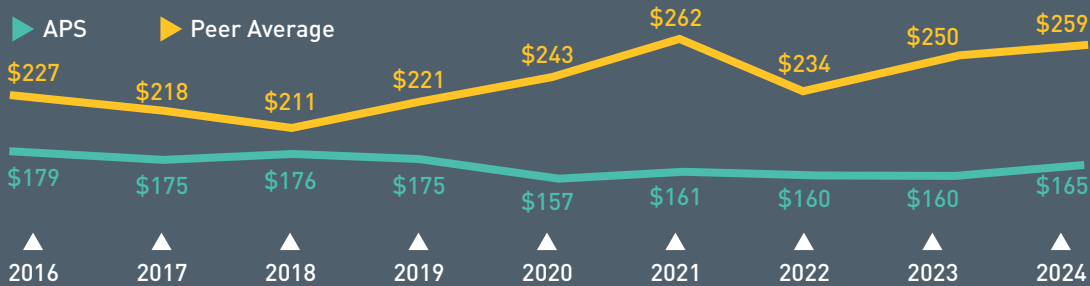
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CEM Total Service Score



In 2023, the service score methodology was updated. The new methodology takes a more member-centric view of service based on member journeys and reflects new technologies.

CEM Cost per Member

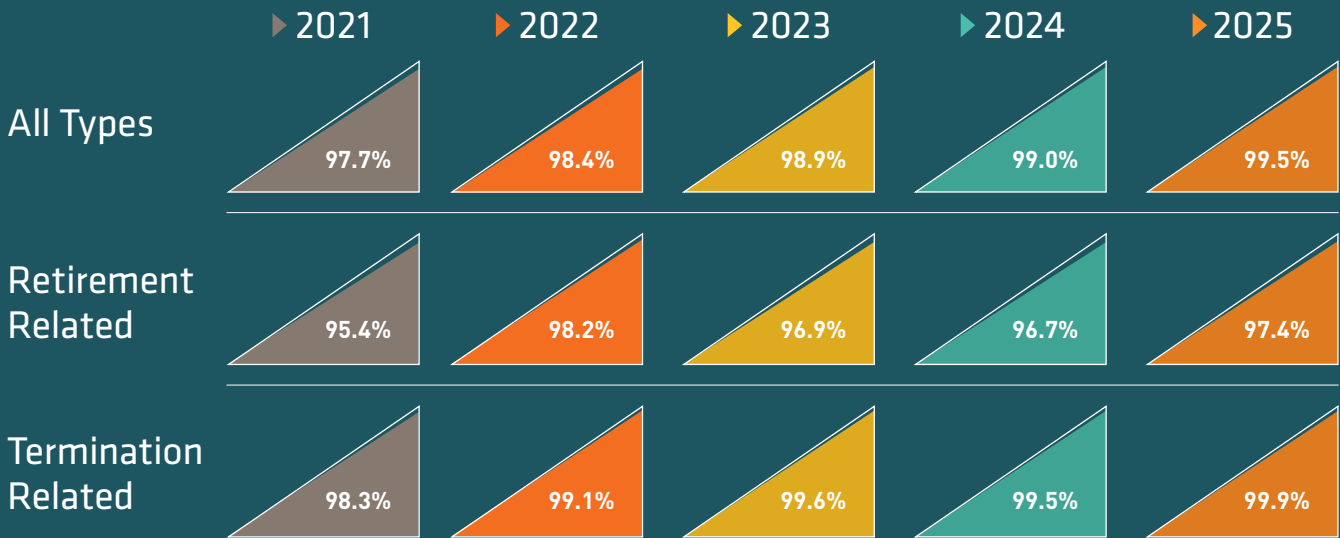


In 2024, we were a low-cost, high-service provider of pension administration services when benchmarked against our peers.

AN ELEVATED MEMBER AND RETIREE EXPERIENCE

APS continues to develop services and systems that simplify the pension experience. The following improvements to our services in 2025 have helped us achieve this goal.

Transactions Completed on Target:



Co-Browsing

In May 2025, the Member Services Centre introduced a co-browsing tool to transform how we support members online. One of APS' most common inquiries from members is for help navigating digital tools. While our platforms are designed to be user-friendly, challenges can arise, and without visibility into what members see, resolving issues can be difficult. Co-browsing changes that. With the caller's permission, our team can securely view the session on the member's pension plan website, highlight key areas, and guide them step-by-step through the process. This screen sharing is limited to the plan website and is designed to be very secure and ensure privacy.

This innovation dramatically improves accessibility, empowers members to complete tasks confidently, and ensures even the most complex interactions become simple and stress-free. By adopting this tool, we've not only enhanced the digital experience but also reinforced our commitment to collaboration and continuous improvement in service delivery.

Retirement Status Bar

Members can now easily track their retirement status through a new status bar in their secure online account, accessible from the dashboard and PensionEase online retirement application. By combining data from PensionEase and pension administration system workflows, this tool delivers real-time updates for retirements initiated online and through a written application, ensuring transparent and self-service access to important information. This enhancement is designed to provide members with timely updates and improve overall service quality.

Document Centre

In 2024, we launched Document Centre as a tool to facilitate the exchange of incoming and outgoing digital documents, improving the online experience for members and retirees. Further enhancing the experience, Document Centre now features an action-required function that notifies members when specific documents are required for file processing. Members are alerted through notifications and the dashboard, enabling them to review outstanding items and upload required documents online. Automated reminders support timely submissions, thereby streamlining processes for both members and APS.

Supporting Clients Through Strategic Transitions

In 2025, we partnered closely with our clients on several key initiatives designed to drive the adoption of online tools, brand alignment, and growth strategies. Throughout this work, we remained focused on the impacts on members, employers, and APS employees, applying strong change management practices, and mitigating risks to ensure continuity of great service and adherence to our service level commitments.

AN ELEVATED EMPLOYER EXPERIENCE

Online Retirement Authorization

To enhance the retirement application process for both members and employers, APS rolled out online authorization in 2025. This simplifies the retirement process and minimizes delays. Members can now confirm key dates online and send them electronically to employers for verification, eliminating the need to download, print, and upload forms. Employers access a new verification panel, receive notifications via the Employer Hub, and then securely approve retirement applications submitted by members through our PensionEase online platform, enhancing efficiency and improving the experience for both members and employers.

APS' Employer Services team has worked with employers to implement enhancements to the tool and reporting throughout the year.

Key benefits of this new feature include:

- Reduced processing times for applications
- Expanded online services for greater flexibility
- A fully electronic application process, eliminating the need for paper documents
- Enhanced security throughout the process
- The ability to update dates without the need for multiple forms
- Streamlined, automated notifications between members and their employers

Employer Document Centre

A new feature, the Employer Document Centre, was introduced to the Employer Hub in 2025. The Employer Document Centre provides employers with an efficient, user-friendly platform for managing documents. This improvement facilitates access to reports and employer documents by organizing them into distinct Inbox and Reports sections. Employers can now securely upload both employer and member documents directly to APS, and a new Sent Items tab enables effective tracking of all submissions.

Employer Hub Notification Preferences

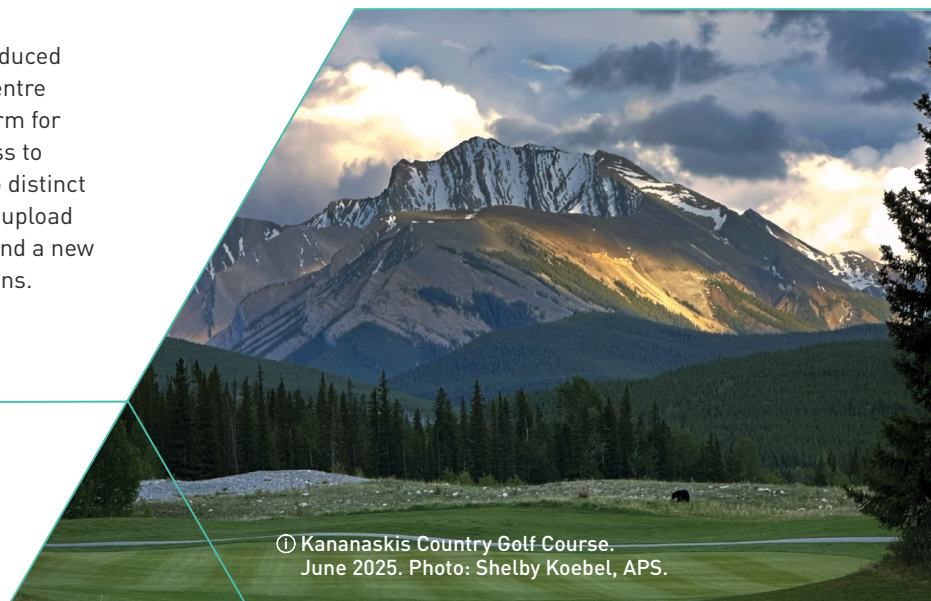
Employers can now tailor their notification settings in the Employer Hub, an online portal for employers to access and share important pension information. With this update, they can choose which emails, such as Retirement Verification or Document Centre notifications, they'd like to receive. This added flexibility helps create a better overall user experience.

Employer Onboarding

Employer Services and Employer Education teamed up to create an employer onboarding curriculum that will provide new employers and administrators with the foundational knowledge needed to administer pension plan(s) on behalf of their organization. Existing employers who are learning new tasks or want a refresher on certain topics will also benefit from the new program.

Phase one was completed in 2025 with the launch of the curriculum and links to existing Employer Hub content. Initial employer feedback was positive, and APS staff have successfully used the material as a guide to train new employers and administrators.

Phase two will commence in 2026 to create e-learning courses based on the curriculum and to launch monthly drop-in sessions for employers to meet with APS' Employer Education and Employer Services teams.



① Kananaskis Country Golf Course.
June 2025. Photo: Shelby Koebel, APS.



Employer Testimonials

“I have had positive experiences with the Employer Services Representatives and have found them very willing to collaborate and work together towards a solution when needed.”

Cassie, Alberta Health Services, LAPP

“My employer rep is excellent! We have worked together for many years, and this consistency is very important when I’m looking for support. She knows my level of knowledge and experience, and her instructions and answers appropriately reflect that.”

Denise, Medicine Hat College, LAPP

“My interactions with the Employer Services Representatives have been consistently positive. They are knowledgeable, responsive, and always willing to assist with questions or complex issues. I appreciate their clear communication and the helpful guidance they provide, as it makes navigating pension processes much smoother.”

Julia, City of Calgary, LAPP and SFPP

“I am very happy with my employer representative. She is quite knowledgeable, professional, polite, and most of all, very patient and understanding. Always very prompt with her responses to my inquiries.”

Ana, NorQuest College, MEPP

“Our employer reps are quick to reply to our emails and guide us through the steps of processing. They are professional and knowledgeable with the portal, Employer Hub, pension plans, and processes.”

Michelle, Government of Alberta, MEPP and JPP

CLIENT-CENTRED STRATEGIC ALIGNMENT

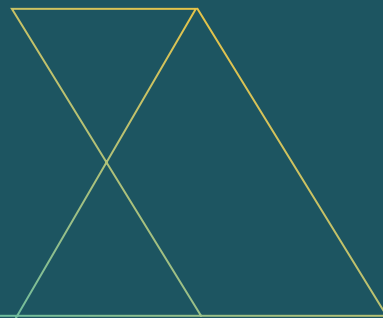
In 2025, APS strengthened its partnerships with clients by embedding alignment across the various layers of planning and delivery. Guided by the Client Relations and Strategy division, APS worked collaboratively to ensure priorities and timelines reflected client needs while advancing APS' strategic objectives.

Our refreshed 2025–2029 Shared Roadmap served as the foundation for alignment and collaboration, enabling APS and clients to synchronize initiatives. This roadmap was complemented by plan-specific Service Delivery Plans, which translated strategic goals into actionable projects with clear timelines. These tools provided transparency and predictability, enabling APS and clients to move forward together.

To reinforce expectations, APS amended Pension Services Agreements, clarifying roles and compliance standards. Regular forums, such as steering committees, an open house, and monthly touchpoints, ensured that everyone remained informed and could take action as needed. We also introduced new measures, such as the client satisfaction survey and enhanced scorecard reporting, which strengthened accountability and informed continuous improvement.

A key milestone in 2025 was the creation of the Client Advisory Committee, a collaborative group of key APS leaders designed to strengthen engagement and support strategic initiatives with our clients. This committee provides a structured space to scope projects, assess impacts, and share insights, further elevating collaboration and consultation between APS and its clients.

Through these efforts, APS demonstrated its commitment to service, quality, and accountability. By aligning strategies and deadlines, we delivered solutions that support the success of Alberta's public sector pension plans and set the stage for continued innovation and impact.



CLIENT OPEN HOUSE

APS hosted a Client Open House in March 2025 to bring its clients together for a day of networking and demonstrations, featuring new pension administration tools and strategies implemented by several teams across APS.

The open house provided clients with an opportunity to network with one another and get to know the people behind the great work at APS.

APS staff conducted four interactive sessions that showcased recent improvements to our pension services, strengthening the member and employer experience. The sessions included demonstrations of new online tools for members and employers, upgrades to our member contact centre, advanced data analytics, and the latest pension education strategies. Following the sessions, clients had an opportunity to ask questions and learn more about the behind-the-scenes work that went into these service updates.

The Client Relations and Strategy division was introduced in 2024 to strengthen our client relationships and ensure that our services align with their goals. Events like the Client Open House demonstrate our continued commitment to our clients' success.



We are proud to foster collaborative relationships with our clients to not only deliver valuable pension administration services, but also excellent member and employer experiences.

**Steven French, Vice President,
Client Relations & Chief Strategy Officer**



PENSION EDUCATION

Supporting performance through internal knowledge management

At APS, we recognize the connection between a comprehensive knowledge management system and strong job performance. Accuracy, efficiency, and employee engagement are elevated when people have easy access to the job aids, role-specific procedures, and task-based information they need.

In July 2025, we launched a new web-based platform for the Knowledge Portal, APS' internal knowledge management system. This technology upgrade positions us to continue building increasingly better user experiences for years to come.

The Education team is committed to partnering with teams across APS to ensure staff have access to the best possible set of resources. Currently, 15 subject matter experts from nine APS teams are trained to contribute to and maintain content on the new platform.

The new Knowledge Portal is a significant step forward in our ongoing pursuit of continuous improvement in knowledge management and workforce support.

Resources transitioned from SharePoint 2016 to the new platform:

Desktop Procedures	Quick Card Procedures	Job Aids and Other Documents
▶ 478	▶ 175	▶ 1,701

Guiding member and employer pension education

Member Education

In 2025, APS refined its approach to measuring event engagement by introducing a two-tiered reporting method. We now capture both the total number of attendees at events where APS is present and the number of direct, face-to-face interactions our team has with participants. This enhanced framework provides a fuller picture of pension plan brand exposure while offering deeper insight into whom we are engaging, the questions and priorities they bring, and the value of our presence. These improvements apply across several types of events, including multi-union conferences, employer-hosted events, and information sessions for new plan members.

	Number of Events Held	Event Attendance
In-Person Presentations	51	1,970
Virtual Presentations	166	5,462
Events	10	4,014*

Voice of the Customer Score **9.2/10**

**Total number of attendees at the event; a total of 401 participants engaged directly with the Member Education team at these events.*

Utilizing new employer engagement strategies, the Member Education team has been able to target employers geographically to maximize reach and provide more equitable access to information.

Employer Education

	Number of Events Held	Event Attendance
Virtual Presentations	25	310

Voice of the Customer Score **8.9/10**

The Employer Education team expanded its webinar offerings in 2025 by introducing on-demand sessions that allow employers to learn at their own pace. The team also began recording virtual instructor-led webinars, giving employers greater flexibility and continued access to key year-end reconciliation topics.

Management's Discussion and Analysis

OVERVIEW

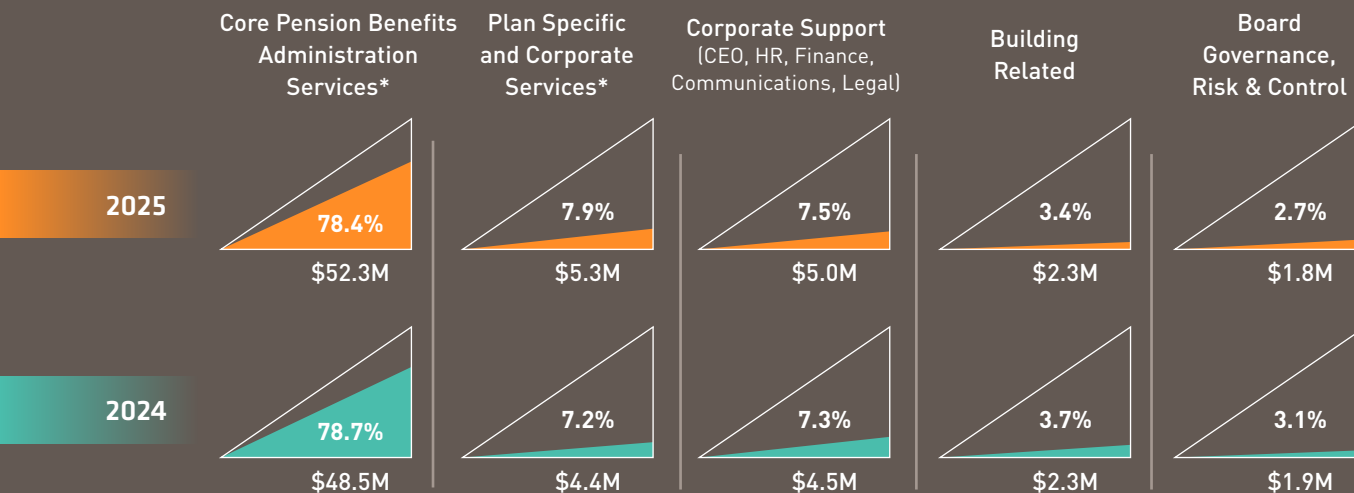
Management's Discussion and Analysis (MD&A) details the outcomes and financial condition of APS for the year ended December 31, 2025. These findings present APS through the eyes of management, who carefully assessed material trends and any ambiguities that affected the overall results. As a service business operating on a cost-recovery basis, our top priority is delivering a high standard of service at a reasonable cost. By focusing on effective resource management, APS can remain vigilant in establishing measurable objectives that help us remain accountable to our shareholder and clients.

The MD&A contains prospective statements about anticipated future events and financial operations that may not be proven accurate and are subject to risks and uncertainties. Please review the MD&A in conjunction with the financial statements and accompanying notes. The accounting standards used in the preparation of APS' financial statements are the Canadian Public Sector Accounting Standards (PSAS), with all amounts presented in Canadian dollars.

OPERATING EXPENSES

TOTAL 2025
▲ \$66.7M

TOTAL 2024
▲ \$61.6M



*86% of operating expenses are directly related to providing pension benefits administration services to the clients we support and their members and employers we serve.

APS cost per member (\$165) has increased by approximately 5% from the prior year, reflecting annual inflation, fewer vacant staff positions, approximately 2.7% plan membership growth, unexpected privacy legislation changes, increased plan-specific initiatives (including several Plan Text changes), exploration of new technologies such as Microsoft Copilot, and review of existing technologies for efficiencies.

CAPITAL INVESTMENTS

Total 2025
▲ \$3.1M

Total 2024
▲ \$4.2M

APS invested \$3.1 million in capital in 2025 (2024: \$4.2 million) primarily to upgrade APS core pension administration software, enhance online services, and increase automation. Investments in technology solutions, including artificial intelligence adoption, will continue into the coming year with the expectation of improved services and operational efficiencies.

STRATEGY AND PLANNING

At APS, we believe that progress is achieved through collaboration. By working closely with our clients, we proactively address their needs while maintaining accountability. We are committed to continually improving our core pension administration services to build trust and ensure we meet the evolving needs of our clients in a cost-effective manner.

Strategic Plan

The APS five-year Strategic Plan (2023–2027) acknowledges the dynamic nature of our environment and emphasizes the need for continuous transformation in our operations.

It focuses on five strategic objectives that are designed to foster collaboration and drive progress:

- ▶ Strengthen alignment with our clients as trusted partners
- ▶ Elevate the member journey through collaborative efforts
- ▶ Enhance the employer journey in partnership with our clients
- ▶ Deliver value through sustainable, innovative, and efficient operations
- ▶ Invest in and prepare our people and culture for future success

Our goal is to be a leader in pension administration services and a trusted partner to our clients, focusing on excellence, innovation, and value-added services.

Development of the five-year Strategic Roadmap (2027–2031) has commenced and will continue throughout 2026. Through extensive engagement with our stakeholders, we understand and will continue to strive to meet their needs and future areas of focus.

Client Corporation and Trustee Plan Five-Year Shared Roadmap

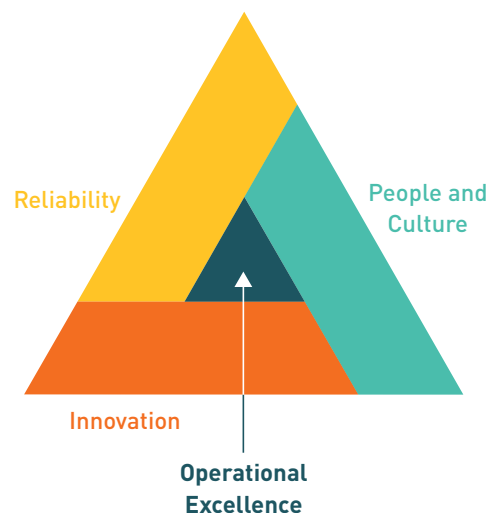
Guided by the Strategic Plan, the 2025–2029 Client Corporation and Trustee Plan Five-Year Shared Roadmap (formally known as the Strategic Roadmap) outlines our vision for future services, service levels, functionality, and capacity. It provides a clear direction for our goals, the path to achieving them, and how we leverage APS' expertise to enhance our clients' member and employer experiences. The roadmap focuses on three main areas that prioritize initiatives within our business pillars:

- ▶ The member experience
- ▶ The employer experience
- ▶ Administrative optimization

Business Plan

Guided by our Strategic Plan and informed by the Shared Roadmap, the three-year Business Plan (2025–2027) outlines key priorities and initiatives. The themes of reliability, innovation, and people and culture will lead APS towards operational excellence.

We will continue collaborating with all stakeholders to ensure alignment with their evolving needs and to maintain their confidence in us as a trusted partner in guiding the pension experience.



DRIVING INNOVATION

Increasingly, organizations rely on innovation to have an edge. At APS, innovation gives us the edge to create a positive and lasting impact on our delivery and service excellence for our clients and their members.

Throughout 2025, APS employees have shared their team success stories through our internal Innovation Program. In turn, other teams have learned new ways to solve their own operational challenges.

The Innovation Program continued to strengthen collaboration, showcase new ways of doing business to foster team engagement and drive innovation, and amplify internal expertise through various channels and events.

Key initiatives from the Innovation Program included:

- **Innovation blogs:** Published installments in an internal blog series, featuring practical guides and thought leadership on software productivity tools, equipped employees with valuable skills.
- **Innovation Microsoft Teams channel:** Regular updates with the latest industry articles and influential TED Talk videos kept employees connected to global trends and emerging ideas.
- **Innovation showcase:** Highlighted innovative projects from business areas across the organization through a quarterly newsletter, inspiring creative problem-solving and cross-team learning.
- **TED Talk speaker session:** Hosted the first APS TED Talk-style speaker session featuring insights on innovation, AI, and resilience, motivating employees and clients with fresh perspectives.

The year-over-year comparison of APS team-led business improvements shows that APS was again successfully focused on enhancing the member and client experience.

Innovation Ideas Implemented

2025 ▶ 36 | 2024 ▶ 40

Enhanced Stakeholder Experience



Created Efficiencies



Automated Processes



Reduced Organizational Risk



This year, we introduced new ways to enhance the stakeholder experience. We also implemented innovations that created efficiencies, enabling teams to work smarter and focus on strategic priorities. By automating key processes, we improved accuracy, consistency, and speed, laying the groundwork for long-term operational excellence. And finally, we reduced organizational risk and reinforced our commitment to continuous improvement and resilient, future-focused performance.

INFORMATION SERVICES AND TECHNOLOGY

Plan Growth and Technology Evolution

APS modified its core pension administration systems to support plan growth and ensure compliance with evolving plan provisions. Our software teams delivered 14 targeted updates to core functionality, enabling accurate application of new contribution rates, actuarial assumptions, and transfer agreements across multiple plans, strengthening pension calculation integrity and operational efficiency. These technology changes were supported by targeted training, communications, and operational readiness activities to ensure smooth adoption and continuity of service. Successfully completing these changes alongside corporate initiatives demonstrates APS' reliability, compliance, and readiness to meet future regulatory and stakeholder requirements.

Windows Update

APS completed a successful organization-wide upgrade to Windows 11, providing a modern, intuitive platform that enhances productivity and collaboration. The transition not only improves user experience with streamlined tools and features but also strengthens our cybersecurity posture through advanced protection capabilities. By adopting Windows 11, we have positioned the organization for greater resilience, efficiency, and readiness to meet future technology demands.

Cybersecurity and Business Resilience

To maintain the security posture of key applications, APS employs rigorous security assessments as well as change and release management for upgrades and new implementations. In 2025, APS processes and controls underwent a thorough evaluation through a cybersecurity audit and a security strategy maturity assessment. We strengthened our security by implementing a rapid update that proactively protected APS against potential threats, further safeguarding our clients, their members and employers, and our stakeholders. APS also transitioned from legacy services to cloud-based solutions for service management and member contact centre services.

These changes will strengthen the resilience and continuity of core business operations, while enhancing features and functionality.

Data Management

We strengthened our role as a trusted partner by advancing analytics that support client programs and improve member experiences, refining our processes to better understand the outcomes members value, and aligning our work to deliver those results.

To enable more holistic insights, we increased data integration across disparate systems, reducing silos and creating greater opportunities for advanced analytics. Additionally, we enhanced employer reports with client branding to reinforce plan identity and recognition, and we implemented proactive monitoring of unusual digital interactions from members to safeguard their data and maintain trust.

These data initiatives support more informed decision-making, improved oversight, and a deeper understanding of the outcomes that matter most to members, employers, and plan sponsors.

Security Updates and Fraud Mitigation

APS enhanced its security and fraud-prevention measures for members by updating the Document Centre's retention period for banking documents, strengthening the soft lock feature to better prevent breaches, and implementing a requirement for account verification when updating banking information. These updates bolster data protection and align with industry standards.



Artificial Intelligence at APS: Elevating Impact Responsibly

APS' approach to artificial intelligence (AI) is guided by a single, governance-first operating model that aligns policy, education, experimentation, and enterprise enablement to ensure responsible, secure, and value-focused use of AI across the organization. The formalization of APS' AI Governance Policy established clear expectations for acceptable and ethical use, privacy, security, and risk management, ensuring that AI complements human judgment and aligns with APS' values of service, quality, and accountability. These actions follow industry frameworks and guidelines for managing AI risk and continue APS' longstanding commitment to safeguarding member and employer information. Focused engagements with organizations such as the Alberta Machine Intelligence Institute enabled APS to introduce AI-related learning and identify high-value, low-risk use cases.

Microsoft 365 Copilot Early Adoption Program: Measurable Impact

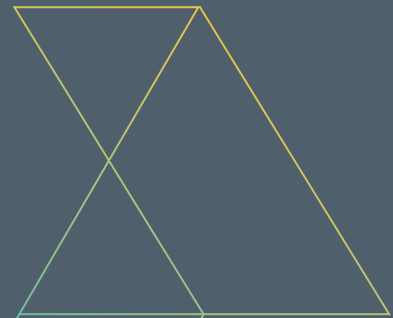
The introduction of the Copilot Early Adoption Program allowed APS teams to explore AI-assisted productivity tools in a secure, governed environment. Early outcomes demonstrated measurable time savings and improved confidence in AI-assisted tasks. Weekly feedback from participants informed refinements to governance and enablement strategies, ensuring that AI tools enhance efficiency without compromising trust.

AI Strategy and Literacy: Scaling Responsibly

To build on these successes and equip staff and leadership to use AI responsibly, APS launched an AI literacy program for employees, the Board, and early adopters. APS also issued an AI strategy and literacy request for proposal to scale adoption across the organization, embedding governance and ethical principles into every phase of implementation. As part of a planned 2026 initiative, this strategy will introduce a structured evaluation of AI use cases, vendor transparency requirements, and risk stage-gates, ensuring that AI adoption remains ethical and secure. By combining measurable outcomes with strong governance, APS is laying the foundation for enterprise-wide AI enablement.

Looking Ahead: Progress Shaped by Innovation and Integrity

In 2026, APS will continue to stay updated on developments in both the AI sector and the Government of Alberta, while proactively pursuing opportunities to enhance the delivery of pension administration and client services through AI. Throughout these efforts, the organization remains committed to openness, responsibility, and the maintenance of the confidence of all stakeholders. An additional initiative planned for 2026 will include an isolated AI innovation sandbox environment to foster safe experimentation and innovation. By combining strong governance with practical enablement, APS is positioning itself to responsibly harness AI's transformative potential, delivering enhanced services and operational resilience for pension plan trustees, members, employers, and stakeholders.



RISK MANAGEMENT AND COMPLIANCE

APS strives to optimize its monitoring and management of corporate risks while prioritizing resource allocation, ensuring compliance, and supporting risk-balanced corporate innovation to elevate client, member, and employer experiences.

The Enterprise Risk Management Program (ERM) supports this effort by informing decision-making processes and culture at APS. Throughout 2025, we improved our risk management processes to better assess key corporate risks. Further emphasis was given to our existing processes for proactively identifying emerging risks, including a redesign of our cross-functional risk management workshops and quarterly reviews of current and emerging risks. These updates, supported by performance metrics, enabled us to respond quickly and effectively to changing circumstances and make more informed decisions.

Fulfilling APS' commitment to continuous improvement, its risk management system is continually reviewed to identify opportunities for growth and maturity. In 2025, this involved refining risk evaluation criteria, challenging previous risk assumptions and definitions, strengthening linkages between risks and their mitigations, and expanding the risk management process to include all employees. APS believes that ERM stands not only for "enterprise risk management" but also for "everyone's a risk manager."

Our focus on risk-prioritized projects and initiatives is integral to our business planning processes. Our cross-functional internal risk workshops strengthen shared understanding and accountability for risk management. Additional initiatives focused on risk management, collaboration, and the delivery of consulting services to our clients further advanced APS' efforts to add more value to our stakeholders.

Reflecting to Optimize Results

Continuous reflection allowed the Risk Management and Compliance team to refine their practices and elevate outcomes for the organization:

- Ongoing monitoring and reviews enabled adjustments to risks and controls
- Lessons learned from projects informed future improvements
- Assessment of successes and gaps demonstrated alignment with our strategic priorities and identified potential new areas of focus

In 2025, we went beyond managing risks; we elevated APS' impact by enhancing systems, strengthening partnerships, and supporting better outcomes for those we serve. We remain committed to fostering a resilient, adaptive risk culture that enables APS to thrive in an increasingly complex environment.

Compliance

Our Compliance Management Program provides a structured approach to managing APS' compliance risk, supported by a strong culture of accountability. APS is committed to preserving its reputation and integrity by complying with applicable laws, regulations, and other corporate obligations. Throughout 2025, APS maintained high compliance management standards, ensuring APS remains trusted and forward-looking. A foundational aspect of our program is educating and supporting employees in understanding their compliance roles and responsibilities, thus fostering a culture of accountability and collaboration.

Championing Privacy Compliance Amid Legislative Change

In June 2025, Alberta introduced two new public sector laws—the *Access to Information Act (ATIA)* and the *Protection of Privacy Act (POPA)*—replacing the *Freedom of Information and Protection of Privacy Act*.

Following the legislative change, LAPP, PSPP, and SFPP Corporations became new public bodies subject to ATIA and POPA. Legislation changes required immediate updates to governance structures, policies, and member-facing materials for all clients and APS.

Legislative Transition

APS assisted LAPP, PSPP, and SFPP Corporations in understanding the differences between their former private sector legislation, the *Personal Information Protection Act*, and the new ATIA and POPA requirements.

Privacy Management Programs

The Privacy Office shared information about the newly legislated Privacy Management Program, including requirements for documented policies, training materials, risk identification and reporting, a published Directory of Personal Information Banks, and privacy risk assessment tools to support the clients in their program implementation.

Updates to Notices and Forms

Comprehensive updates were made to website privacy notices, form collection notices, and other artifacts to align with new legislative requirements.

Training and Awareness

Employee privacy training materials were created and updated, including targeted resources developed to help employees and clients apply the new requirements in their daily operations.

Stakeholder Engagement and Ongoing Support

The Privacy Office worked with internal teams and pension plan clients to address questions, provide guidance, and support the integration of privacy requirements into business processes.

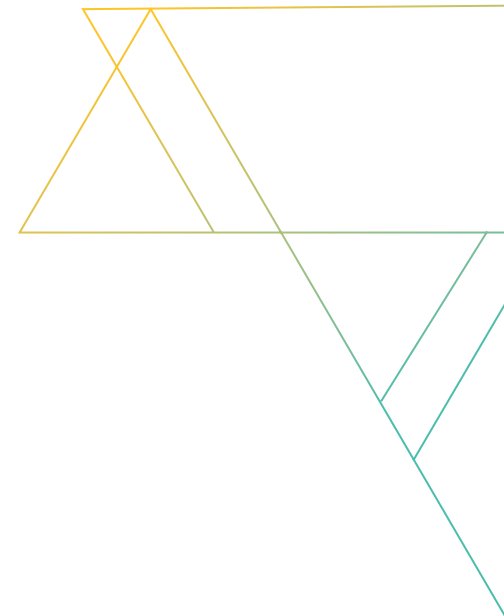
Through these efforts, APS supported employees and pension plan clients in adapting to legislative changes while continuing to safeguard personal information and maintain public trust.

Pension Services Agreements

In 2025, APS worked closely with LAPP, PSPP, and SFPP Corporations to renegotiate the Pension Services Agreements (PSAs), strengthening the trust, alignment, and shared stewardship that guide our work. Finalized in July 2025, the renewed agreements reflect a shared understanding that pension administration must continually evolve with changing needs, technologies, and legislation. They reinforce expectations for high-quality service, responsiveness, and the use of tools such as CEM Benchmarking and peer studies to support evidence-based decisions and identify improvements that reduce friction, enhance accuracy, and deliver timely outcomes.

The strengthened consultative framework provides more responsive, strategic expertise in areas such as plan design, legislative interpretation, actuarial coordination, and communications. Cross-functional teams used client insights to simplify workflows, enhance digital capabilities, and explore technology upgrades, ensuring innovation is embedded in how we work. The updated PSAs also reinforce that our relationships with the plans are collaborative rather than transactional, supported by revitalized Service Delivery Plans that promote ongoing engagement and transparent, shared decision making.

Beyond operations, the agreements confirm a shared fiduciary focus and strong compliance, reporting, and risk management expectations. They also emphasize responsible evolution, ensuring long-term planning balances efficiency, innovation, cost-effectiveness, and sustainability across all plans we serve.



LOOKING AHEAD

Focused on elevating impact, APS entered 2026 with a clear commitment to sustainable growth, operational effectiveness, and continued service excellence. Guided by the 2026–2028 Business Plan, our priorities are shaped by a combination of external forces—such as demographic change and economic conditions—and the evolving needs and expectations of our clients, their members and employers, and our staff.

APS will concentrate on maintaining strong operational performance while continuing to enhance the member and employer experience. Collaboration with clients will remain central to our approach, ensuring that our services evolve in step with their priorities and deliver meaningful value. At the same time, we will continue to invest in our people and culture, strengthening APS' capacity to support new technologies, adapt to change, and sustain a high-performing organization.

Continued Growth

Growth is expected to continue as pension plan membership increases and new employers join the plans. This growth, along with rising service complexity and volumes, will require thoughtful investment and ongoing operational support. APS has been positioned as a low-cost, high-service provider among benchmarked peers for several years, and sustaining this competitive advantage will remain a key focus as demands on the organization increase.

APS will continue advancing Shared Roadmap initiatives that enhance the member and employer experience. These efforts include targeted improvements to pension projections and estimates, refinements to the buyback experience, strengthened employer education and onboarding, and enhancements to the employer portal. Together, these initiatives support simpler, more intuitive pension interactions and reinforce APS' client-focused approach.

Expanding Service

Technology modernization will play an increasingly important role in enabling scalable, secure growth. Many upcoming initiatives will focus on expanding online services, electronic options, automation, and digital self-service. Developing and strengthening in-house expertise in these areas will provide a strong foundation for future initiatives, product sustainability, and the responsible adoption of new technologies.

As part of this evolution, APS is continuing to explore opportunities to improve operational effectiveness through the thoughtful use of artificial intelligence, supported by a disciplined, governance-driven approach.

Our Commitment Moving Forward

Pension administration is complex, but APS' vision is to work with clients to simplify the pension experience wherever possible. By continuing to enhance our operational capabilities, strengthen partnerships, modernize technology, and invest in our people, APS is well-positioned to support long-term service excellence and maintain trusted relationships with the public sector pension plans we serve.



CORPORATE GOVERNANCE

As a corporation under the *Alberta Business Corporations Act*, APS is governed by a Board of Directors (Board). The directors on the Board are appointed by the Government of Alberta as APS' sole shareholder, in accordance with a Unanimous Shareholder Agreement (USA) made by the sole shareholder. The Board is responsible for managing and overseeing the business of the corporation, subject to certain restrictions set out in the USA. The Board delegates operating authority to the CEO and other officers of APS.

Committees of the Board

In 2025, the Board had four standing committees:

- Audit Committee
- Governance Committee
- Human Resources Committee
- Technology and Innovation Committee

In 2025, the Technology and Innovation Committee, Governance Committee, and Audit Committee each met four times. The Human Resources Committee met three times.

Board Compensation

Per the USA, Directors' compensation is set by resolution of the Shareholder. In 2025, compensation (rounded to the nearest thousand) paid to the Board Chair was \$45,000 (2024 - \$54,000), and aggregate compensation paid to the other directors totalled \$148,000 (2024 - \$146,000). In addition, Directors' expenses are eligible for reimbursement in accordance with APS' corporate policy and posted on the APS website.

Governance Framework

APS has a comprehensive governance and compliance framework in place, including a Board Code of Conduct; additional documentation is available at apsc.ca under "About APS."



Colin P. MacDonald



Denise Hamilton



Richard Hannah



Dr. Janice MacKinnon



Brenda McInnes



Claudia Roszell



Meryl Whittaker

DIRECTORS

In accordance with the USA, the Board consists of seven members appointed by the shareholder.

Name	Term of Service ¹	Board/Committee Membership ²
Colin P. MacDonald	June 2017 – August 2018 August 2018 – October 2021 October 2024 – until close of 3 rd AMS*, and June 6, 2027	<ul style="list-style-type: none"> • Board Chair
Brenda McInnes	August 2018 – October 2021 October 2021 – October 2024 October 2024 – until close of 3 rd AMS	<ul style="list-style-type: none"> • Board Vice-Chair • Technology and Innovation Committee Chair
Claudia Roszell	June 2017 – September 2020 September 2020 – October 2023 October 2023 – until close of 3 rd AMS	<ul style="list-style-type: none"> • Governance Committee Chair • Audit Committee Vice-Chair
Meryl Whittaker	January 2020 – September 2022 September 2022 – November 2025 November 2025 – until close of 3 rd AMS	<ul style="list-style-type: none"> • Human Resources Committee Chair • Governance Committee Vice-Chair
Denise Hamilton	October 2021 – February 2023 October 2023 – until close of 3 rd AMS	<ul style="list-style-type: none"> • Audit Committee Chair
Dr. Janice MacKinnon	October 2021 – October 2024 October 2024 – until close of 3 rd AMS	<ul style="list-style-type: none"> • Human Resources Committee Vice-Chair
Richard Hannah	February 2023 – November 2025 November 2025 – until close of 3 rd AMS	<ul style="list-style-type: none"> • Technology and Innovation Committee Vice-Chair

¹ Directors are appointed by the shareholder, normally for a three-year term. The *Alberta Public Agencies Governance Act* establishes a maximum term of 10 consecutive years.

² Each Director is a member of all standing Board Committees. Committee meetings are normally held in conjunction with the Board meeting. The above-stated memberships are for the 2025 fiscal year.

* AMS – Annual Meeting of Shareholder

COMPENSATION DISCUSSION AND ANALYSIS

Our People

APS acknowledges the value of attracting and retaining a qualified workforce and strives to reward employees equitably. Our total rewards program encompasses employee direct and indirect compensation, employee benefits, APS value proposition, and rewards. APS bases its compensation design and practices on four key principles:

Internal Consistency

Compensation at APS is based upon each employee's expected contribution to the overall achievement of our business objectives, and it is determined by a job evaluation system that is fair, valid, and logical.

Market Competitiveness

APS aligns its compensation practices to remain market-competitive with its relevant peer groups in the public and private sectors.

APS was subject to the Salary Restraint Regulation announced April 1, 2018, which prohibited base pay increases for exempt and management employees. The Salary Restraint Regulation expired March 31, 2022. Since the expiry, APS' annual compensation practices are guided by instructions provided by the Provincial Bargaining and Compensation Office (PBCO). APS is currently working on an updated compensation program to align with the new compensation framework introduced by the Provincial Bargaining Coordination Office. Until such time as the new compensation program is implemented, APS' market competitiveness continues to be impacted.

Goal Achievement

Through its performance management program, APS endeavours to create an environment that fosters two-way dialogue between managers and employees for the purpose of ensuring alignment to APS' Strategic Plan, continuous improvement, and linking performance to rewards. We remain committed to achieving excellence, engaging in collaborative and respectful relationships with employees, employers and other stakeholders, and maintaining the highest ethical standards.

Simplicity

APS promotes and rewards desired behaviours and results by designing, implementing, and communicating compensation policies and practices that are aligned, consistent, and understandable.

Human Resources Committee

The Board's Human Resources Committee (HRC) ensures all human resources policies and practices support the achievement of APS' corporate objectives. The HRC performs its responsibilities to assist the Board in fulfilling its oversight responsibilities for:

- HR strategies that align to APS' Strategic Plan, Business Plan, and values-based culture
- Compensation and benefits, employment conditions and related risks, and workforce capacity
- Counsel for the appointment, compensation, and performance evaluation of the President and CEO
- Succession planning related to the President and CEO and Executive positions

Executive Compensation

The HRC provides direction to the compensation structure for the President and CEO* and performs the following duties on an annual basis:

- Reviews the compensation structure for the President and CEO within the framework of the *Reform of Agencies, Boards and Commissions Compensation Act* (RABCCA)**
- Evaluates the performance of the President and CEO against set objectives
- Provides compensation recommendations for the President and CEO to the Board

APS Executives participate in MEPP and SRP. Combined, these plans provide pension benefits equal to two per cent of each Executive's best five-year average pensionable salary for each year of service. MEPP provides a pension in respect of the base salary up to a maximum pensionable salary limit set by the MEPP plan rules, which in turn is set to ensure that the benefit payable does not exceed the defined benefit limit in the *Income Tax Act* (ITA). SRP provides a pension in respect of the base salary in excess of the maximum pensionable salary limit set in the MEPP plan rules.

*APS President and CEO and APS Executives were subject to the Reform of Agencies, Boards and Commissions Compensation Regulation.

**The RABCCA was repealed in December 2023. The *Public Sector Employers Amendment Act* (PSEA) was proclaimed the same day, which provides for the establishment of a compensation framework similar to what was found in RABCCA. While a new compensation framework under PSEA is being developed, agencies such as APS that were previously subject to RABCCA must continue to adhere to the limits and conditions set out in Ministerial Order 49-2023.

Summary Compensation Table

(in thousands)

The table below provides complete disclosure of salary, other cash benefits and other non-cash benefits approved for payment during the years ended December 31, 2025 and 2024 to the President and Chief Executive Officer and Vice Presidents.

Position	Base Salary ¹	Other Cash Benefits ²	Other Non-Cash Benefits ³	2025 Total	2024 Total
President & Chief Executive Officer ⁴	\$ 326	\$ 15	\$ 86	\$ 427	\$ 414
Vice President, Human Resources and Organizational Development ⁵	247	22	65	334	329
Vice President, Pensions Services ⁶	256	14	63	333	218
Vice President, Information Services and Technology & Chief Information Officer ⁷	248	13	59	320	288
Vice President, Client Relations & Chief Strategy Officer ⁸	233	24	55	312	85
Vice President, Finance & Chief Financial Officer	195	13	40	248	229
Vice President, Governance and General Counsel ⁹	-	-	-	-	222

¹ Base salary includes regular base pay.

² Other cash benefits include automobile allowance, vacation payouts, personal leave payouts, and severance, as applicable. There were no bonuses paid in 2025 and 2024.

³ Other non-cash benefits include employer's share of all employee benefits and contributions or payments made on behalf of employees. This includes pension, health care, dental coverage, group life insurance, short and long-term disability plans, Workers' Compensation Board (WCB) premiums, professional memberships, tuition fees, and parking, as applicable.

⁴ 2024 Total Pay includes \$7 for an approved salary increase related to 2024 that was paid in 2025.

⁵ This position was occupied by two individuals during the year. The former VP, Human Resources and Organizational Development retired on June 15, 2025 and the incumbent commenced this position on June 23, 2025.

⁶ This position was occupied by two individuals during the year. The position was vacated and the incumbent commenced this position on January 13, 2025.

⁷ The position was occupied by two individuals during the year. The position was vacated and the incumbent commenced this position on February 3, 2025.

⁸ Position created September 23, 2024.

⁹ The former VP, Governance and General Counsel, left the Corporation on July 8, 2024, receiving a severance of \$41 and the position ended.



Financial Statements

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and information in the 2025 Annual Report are the responsibility of Alberta Pensions Services Corporation (APS) and have been approved by management and the APS Board of Directors (the Board).

The financial statements have been prepared in conformity with Canadian Public Sector Accounting Standards and, of necessity, include some amounts that are based on estimates and judgments. Financial information presented in the 2025 Annual Report that relates to the operations and financial position of APS is consistent with that in the financial statements.

To discharge its responsibility for the integrity and objectivity of financial reporting, APS maintains a system of internal accounting controls comprised of written policies, standards and procedures, and a formal authorization structure. These systems are designed to provide management with reasonable assurance that transactions are properly authorized, that reliable financial records are maintained and that assets are adequately accounted for and safeguarded.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board carries out this responsibility principally through its Audit Committee. As part of this responsibility, the committee reviews the financial statements, the Management's Discussion and Analysis, and the Compensation Discussion and Analysis in the Annual Report, and once satisfied, recommends them to the Board for approval. The committee also meets with management and the external auditor to discuss internal controls, auditing matters, and financial reporting issues.

The Auditor General of Alberta, APS' external auditor, provides an independent audit opinion on the financial statements.

[Original signed by Doug Woloshyn
President and Chief Executive Officer]

[Original signed by Amrita Kharbanda
Vice President, Finance and Chief Financial Officer]

To the Shareholder of Alberta Pensions Services Corporation

Report on the Financial Statements

Opinion

I have audited the financial statements of Alberta Pensions Services Corporation, which comprise the statement of financial position as at December 31, 2025, and the statements of operations, change in net debt, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Alberta Pensions Services Corporation as at December 31, 2025, and the results of its operations, its changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of Alberta Pensions Services Corporation in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the *Alberta Pensions Services Corporation 2025 Annual Report*, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed on this other information, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as

management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Alberta Pensions Services Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Alberta Pensions Services Corporation's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Alberta Pensions Services Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Alberta Pensions Services Corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Alberta Pensions Services Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original signed by Phillip D. Peters FCPA, FCA, KC]
Auditor General of Alberta

April 30, 2026
Edmonton, Alberta

STATEMENT OF OPERATIONS

Year ended December 31, 2025

(in thousands)

	2025		2024
	Budget	Actual	Actual
Expenses			
Salaries and benefits	\$ 43,256	\$ 40,448	\$ 37,856
Contract services	2,766	3,165	2,607
Software licensing and support	6,113	6,003	5,717
Office related expenses	4,508	4,505	4,592
Amortization (Note 8)	7,200	7,251	6,400
Total before other services	63,843	61,372	57,172
Plan specific and corporate services (Note 5)	4,606	5,291	4,364
Employer specific services (Note 6)	51	51	49
Total operating expenses	68,500	66,714	61,585
Recovery of costs (Note 7)	68,500	66,714	61,585
Annual surplus [deficit]	-	-	-
Net assets at beginning of year	-	-	-
Net assets at end of year	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

Approved by the Board:

[Original signed by Colin P. MacDonald
K.C., ICD.D Chair, Board of Directors]

[Original signed by Denise Hamilton
CPA, CMA, ICD.D Chair, Audit Committee]

STATEMENT OF FINANCIAL POSITION

As at December 31, 2025

(in thousands)

	2025	2024
Financial assets		
Cash	\$ 1,856	\$ 1,921
Accounts receivable	103	39
Due from pension plans and plan corporations (Note 7)	4,296	1,811
	6,255	3,771
Liabilities		
Accounts payable and other accrued liabilities	4,855	3,720
Accrued salaries and benefits	1,574	585
Accrued vacation pay	813	837
Deferred lease inducement (Note 12)	787	-
	8,029	5,142
Net Debt	(1,774)	(1,371)
Non-financial assets		
Tangible capital assets (Note 8)	18,632	22,796
Prepaid expenses	1,774	1,371
	20,406	24,167
Net assets before spent deferred capital contributions	18,632	22,796
Spent deferred capital contributions (Note 8)	18,632	22,796
Net assets	\$ -	\$ -

Contractual obligations (Note 12)**Contingent liabilities** (Note 13)

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGE IN NET DEBT

Year ended December 31, 2025

(in thousands)

	2025		2024
	Budget	Actual	Actual
Annual surplus (deficit)	\$ -	\$ -	\$ -
Acquisition of tangible capital assets (Note 8)	(4,000)	(3,087)	(4,205)
Amortization of tangible capital assets (Note 8)	7,200	7,251	6,400
Disposal of tangible capital assets (Note 8)	-	(997)	(2,121)
Change in spent deferred capital contributions	(3,200)	(3,167)	(74)
Change in prepaid expenses	-	(403)	119
[Increase] Decrease in net debt	-	(403)	119
Net debt at beginning of year	(1,490)	(1,371)	(1,490)
Net debt at end of year	\$ (1,490)	\$ (1,774)	\$ (1,371)

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

Year ended December 31, 2025

(in thousands)

	2025	2024
Operating transactions		
Annual surplus (deficit)	\$ -	\$ -
Non-cash items included in annual surplus (deficit):		
Amortization of tangible capital assets (Note 8)	7,251	6,400
Disposal of tangible capital assets (Note 8)	(997)	(2,121)
Disposal of spent deferred capital contributions (Note 8)	997	2,121
Increase in deferred lease inducement (Note 12)	787	-
Amortization of spent deferred capital contributions (Note 8)	(7,251)	(6,400)
	787	-
Increase in accounts receivable	(64)	(16)
(Increase) decrease in prepaid expenses	(403)	119
Increase in due from pension plans and plan corporations	(2,485)	(1,545)
Increase in accounts payable and other accrued liabilities	1,135	1,430
Increase in accrued salaries and benefits	989	343
Decrease in accrued vacation pay	(24)	(44)
Cash (applied to) provided by operating transactions	(65)	287
Capital transactions		
Acquisition of tangible capital assets (Note 8)	(3,087)	(4,205)
Cash applied to capital transactions	(3,087)	(4,205)
Financing transactions		
Increase in spent deferred capital contributions (Note 8)	3,087	4,205
Cash provided by financing transactions	3,087	4,205
(Decrease) increase in cash	(65)	287
Cash at beginning of year	1,921	1,634
Cash at end of year	\$ 1,856	1,921

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended December 31, 2025

1. Authority

Alberta Pensions Services Corporation (APS) is incorporated under the *Business Corporations Act* (Alberta). APS is a “Provincial corporation” under the *Financial Administration Act* (Alberta) and a “public agency” under the *Alberta Public Agencies Governance Act*. The issued share of the Corporation is owned by the Government of Alberta and accordingly, the Corporation is exempt from income taxes under the *Income Tax Act*. APS is referred to as “the Corporation” throughout the Notes to the Financial Statements.

2. Nature of Operations

The Corporation provides a comprehensive suite of pension administration services in respect of nine registered and unregistered pension plans. These services are provided pursuant to a “Pension Services Agreement” with each of LAPP Corporation, PSPP Corporation, and SFPP Corporation and a “Pension Administration Services Agreement” with the Government of Alberta.

The services provided to LAPP Corporation, PSPP Corporation, and SFPP Corporation are respectively in relation to the Local Authorities Pension Plan (LAPP), the Public Service Pension Plan (PSPP), and the Special Forces Pension Plan (SFPP). These services are provided pursuant to the *Joint Governance of Public Sector Pension Plans Act* (Alberta) and in accordance with the *Employment Pension Plans Act* (Alberta).

The services provided to the Government of Alberta pertain to the following registered and unregistered pension plans:

- Management Employees Pension Plan (MEPP) and Public Service Management (Closed Membership) Pension Plan (PSM(CM)PP), each established and governed by the *Public Sector Pension Plans Act* (Alberta);
- Supplementary Retirement Plan (SRP) for Public Service Managers (established by Treasury Board Directive);
- Provincial Judges and Applications Judges (Registered) Pension Plan and Provincial Judges and Applications Judges (Unregistered) Pension Plan (JPP), each established and governed by Alberta Regulation 196/2001;
- Members of the Legislative Assembly (Registered) Pension Plan (MLAPP), established and governed by the *Members of the Legislative Assembly Pension Plan Act* (Alberta).

3. Summary of Significant Accounting Policies

Basis of Presentation

These financial statements are prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS).

Recovery of Costs

All recoveries of costs are reported on the accrual basis of accounting. Accruals for the recovery of costs are recognized as the related expenses are incurred.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

Valuation of Financial Assets and Liabilities

The Corporation's financial assets and liabilities are generally measured as follows:

Financial statement component	Measurement
Cash and cash equivalents	Cost
Accounts receivable and due from pension plans and plan corporations	Lower of cost or net recoverable value
Accounts payable and other accrued liabilities, accrued salaries and benefits, and accrued vacation pay	Cost

Financial Assets

Financial assets are the Corporation's financial claims on external organizations and individuals.

Cash and cash equivalents

Cash is comprised of cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

Accounts receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Liabilities

Liabilities are present obligations of the Corporation to external organizations and individuals arising from past transactions or events occurring before the year end, the settlement of which is expected to result in future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

Non-financial Assets

Non-financial assets are limited to tangible capital assets and prepaid expenses.

Tangible capital assets

Tangible capital assets are recognized at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets and overhead directly attributable to construction and development.

3. Summary of Significant Accounting Policies (Continued)

Tangible capital assets (Continued)

Assets under construction are not amortized until after a project is substantially complete and the asset is put into service.

Leases of tangible capital assets which transfer substantially all the benefits and risks of ownership are accounted for as leased tangible capital assets. Capital lease liabilities are recognized at the present value of the minimum lease payments excluding executory costs (e.g. insurance, maintenance costs). The discount rate used to determine the present value of the lease payments is the lower of the Corporation's rate for incremental borrowing or the interest rate implicit in the lease.

The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Leasehold improvements	Term of lease
Pension Administration System (Compass)	12 years
Furniture and equipment	5 years
Computer hardware and software	3 years

The costs of improvements or betterments of the Compass System are amortized on a straight-line basis over the remaining useful life of the Compass System.

The threshold for capitalizing software is \$100,000 and \$5,000 for all other items, where these items have a useful life in excess of one year.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Corporation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value.

Prepaid expenses

Prepaid expenses are recognized at cost and amortized based on the terms of the agreement.

Financial Instruments

Financial instruments of the Corporation consist of cash, accounts receivable, due from pension plans and plan corporations, accounts payable and other accrued liabilities, accrued salaries and benefits, and accrued vacation pay. Due to their short-term nature, the carrying value of these instruments approximates their fair value.

As the Corporation does not have any transactions involving financial instruments that are classified in the fair value category, there are no remeasurement gains and losses and therefore, a statement of remeasurement gains and losses has not been presented.

Use of Estimates

The preparation of financial statements in conformity with Canadian PSAS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingent assets and liabilities in the financial statements. Actual results could differ from these estimates, and the impact of any such differences will be recognized in future periods. The significant area requiring the use of management estimates relates to the estimated useful lives of tangible capital assets.

4. Future Accounting Standards

The Corporation will adopt the following new conceptual framework and accounting standards approved by the Public Sector Accounting Board:

- **Conceptual Framework for Financial Reporting in the Public Sector (effective April 1, 2026)**

The Conceptual Framework is the foundation for public sector financial reporting standard setting. It replaces the conceptual aspects of Section PS 1000 Financial Statement Concepts and Section PS 1100 Financial Statement Objectives. The conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards.

- **PS 1202 Financial Statement Presentation (effective April 1, 2026)**

Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework.

- **PS 3251 Employee Benefits (effective April 1, 2029)**

This standard will replace and consolidate two old standards, PS 3250 – Retirement benefits and PS 3255 – Post-employment benefits, Compensated Absences and Termination Benefits. The application of the standard will improve the understandability of the financial reporting of employee benefits and provide better information for accountability purposes.

Management is currently assessing the impact of these standards on the financial statements.

5. Plan Specific and Corporate Services

(in thousands)

The Corporation provides certain tailored services to plan corporations and public sector pension plans and their respective boards and committees. These services may include amending system specifications for plan rule changes, client requests, optional services, and other costs not attributed to all of the plans served by the Corporation.

Entity	2025	2024
LAPP	\$ 2,602	\$ 1,988
PSPP	806	749
MEPP	751	624
SFPP	641	508
LAPP Corporation	134	132
JPP (Registered)	96	73
SRP	95	127
JPP (Unregistered)	77	62
SFPP Corporation	60	54
PSM(CM)PP	20	43
MLAPP	9	9
PSPP Corporation	-	(5)
	\$ 5,291	\$ 4,364

6. Employer Specific Services

(in thousands)

In 2008, the Minister approved the Corporation administering post-retirement benefits for certain employers who participate in the public sector pension plans. The Corporation also entered into an agreement to provide certain administration services on a cost-recovery basis to Alberta Investment Management Corporation (AIMCo), a related Crown Corporation, in respect of an AIMCo supplementary retirement plan. All costs associated with administering these benefits are recovered directly from the specific employers as follows:

	2025	2024
Participating Employers ¹	\$ 5	\$ 5
Alberta Investment Management Corporation	46	44
	\$ 51	\$ 49

¹ Participating employers include: City of Edmonton, EPCOR, and Government of Alberta.

7. Recovery of Costs

(in thousands)

The Corporation charges each public sector pension plan and plan corporation with its proportionate share of the Corporation's operating costs based on the cost recovery methodology approved by the Board of Directors.

At December 31, 2025, \$4,296 (2024 – \$1,811) is receivable from the plans and plan corporations. The receivable at year end is directly related to the timing of the receipt and disbursement of funds.

Entity	2025	2024
LAPP	\$ 47,439	\$ 43,547
PSPP	12,494	11,791
MEPP	2,914	2,605
SFPP	2,013	1,824
SRP	653	618
PSM(CM)PP	287	298
JPP (Registered)	241	193
JPP (Unregistered)	206	179
LAPP Corporation	134	132
MLAPP	94	95
SFPP Corporation	60	54
PSPP Corporation	–	(5)
	66,535	61,331
Interest and other cost recoveries	128	205
Employer specific services (Note 6)	51	49
	\$ 66,714	\$ 61,585

8. Tangible Capital Assets

(in thousands)

	2025					2024
	Compass system	Computer hardware & software	Leasehold improvements	Furniture & equipment	Total	Total
Estimated useful life	12 years	3 years	Lease term	5 years		
Historical Cost¹						
Beginning of year	\$ 59,820	\$ 11,370	\$ 4,975	\$ 1,083	\$ 77,248	\$ 75,164
Additions	1,466	1,280	296	45	3,087	4,205
Disposals, including write-downs	-	(555)	(388)	(54)	(997)	(2,121)
	61,286	12,095	4,883	1,074	79,338	77,248
Accumulated Amortization						
Beginning of year	40,323	8,680	4,394	1,055	54,452	50,173
Amortization expense	6,023	1,146	66	16	7,251	6,400
Effect of disposals, including write-downs	-	(555)	(388)	(54)	(997)	(2,121)
	46,346	9,271	4,072	1,017	60,706	54,452
Net Book Value at December 31, 2025	\$ 14,940	\$ 2,824	\$ 811	\$ 57	\$ 18,632	
Net Book Value at December 31, 2024	\$ 19,497	\$ 2,690	\$ 581	\$ 28		\$ 22,796

Financing obtained from the public sector pension plans to acquire tangible capital assets is recognized as spent deferred capital contributions. The recovery of costs is recognized on the same basis as the tangible capital assets are amortized.

¹ Historical cost includes assets under construction at December 31, 2025 totaling \$2,714 (2024 – \$882) comprised of Compass System \$1,472 (2024 – \$nil) and Computer hardware and software \$1,155 (2024 – \$598) and Leasehold improvements \$87 (2024 – \$284).

9. Share Capital

	2025	2024
Issued:		
1 common share	\$ 1	\$ 1

An unlimited number of common and preferred shares are authorized with a single common share issued (Note 1).

10. Employee Future Benefits

(in thousands)

The Corporation participates in three multi-employer defined benefit public sector pension plans: PSPP, MEPP, and SRP. Multi-employer plans are accounted for as defined contribution plans. Accordingly, the Corporation does not recognize its share of any plan surplus or deficit. The expense for these pension plans is equivalent to the annual contributions of \$3,342 for the year ended December 31, 2025 (2024 – \$3,130). This amount is included in salaries and benefits.

An actuarial valuation is performed to assess the financial position of the plan and adequacy of the plan funding. At December 31, 2024, PSPP reported a surplus of \$6,473,956 (2023 – surplus of \$4,542,500), MEPP reported a surplus of \$1,865,997 (2023 – surplus of \$1,316,313) and SRP had a deficiency of \$25,325 (2023 – deficiency of \$21,343).

11. Related Party Transactions

(in thousands)

Related parties are those entities consolidated using either line by line or modified equity basis in the Government of Alberta's Consolidated Financial Statements. Related parties also include key management personnel and close family members of those individuals in the Corporation. The Corporation and its employees paid or collected certain taxes and fees set by regulation for premiums, licences, and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Corporation had the following transactions with related parties reported in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	2025	2024
Expenses		
Printing and postage	\$ 925	\$ 828
Software licences	608	524
Risk management and insurance	220	232
	\$ 1,753	\$ 1,584
Payable to Government of Alberta	\$ 707	\$ 478

The Corporation also provided services to the plan corporations and public sector pension plans and their respective boards and committees as disclosed in Notes 5 and 7. These transactions are in the normal course of operations.

12. Contractual Obligations

(in thousands)

The Corporation has entered into some multi-year agreements whereby the Corporation will be obligated to make future payments when the goods or services are received. Significant non-cancellable contractual obligations that can be reasonably estimated are summarized as follows:

Year	Operating ¹	Capital	Total
2026	\$ 5,080	\$ 777	\$ 5,857
2027	1,830	-	1,830
2028	1,876	-	1,876
2029	1,848	-	1,848
2030	1,923	-	1,923
Thereafter	8,035	-	8,035
	\$ 20,592	\$ 777	\$ 21,369

¹ Operating obligations include non-cancellable purchase and contract commitments for contracted services, software licenses, and office space.

On December 1, 2023, the Corporation entered into an amended and restated office lease agreement for the Edmonton office, reflecting an 11-year term ending November 30, 2034, and a tenant allowance. The tenant allowance of \$787 received for completed leasehold improvements has been recorded as a Deferred lease inducement on the Statement of Financial Position. The unused portion of \$523 will be applied as a reduction to the 2026 lease payments. The total amount of the tenant allowances will be recorded as an offset to office expenses over the remaining lease term.

On August 22, 2025, the Corporation entered into a lease agreement for the Calgary office for a 3-year term ending January 31, 2029.

The Corporation has a multi-year commitment with an external vendor to maintain and support APS' Pension Administration (Compass) system. APS can terminate the contract with 12 months notice. Future years' costs will be indexed on each anniversary date of the agreement. The operating obligations include \$1,967 in 2026 to provide non-cancellable operating maintenance and support. There is a planned system upgrade in 2027 that will consist of \$703 of capital obligations in 2026.

13. Contingent Liabilities

(in thousands, except number of claims)

The Corporation is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

Accruals have been made in specific instances where it is likely that losses will be incurred based on a reasonable estimate. As at December 31, 2025, accruals totaling \$105 (2024 – \$nil) have been recognized as a liability.

APS has been named in four (2024 – three) claims, in which one outcome is likely and three are not determinable. The one (2024 – two) likely claim has a specified amount totaling \$200 (2024 – \$1,000). The three (2024 – one) indeterminate claims do not have specified amounts (2024 – \$nil). Management estimates that any potential liability relating to these claims would be to the pension plan(s) named for any benefit related costs and any potential damages would be covered by the insurance provided by the Alberta Risk Management Fund.

The resolution of claims may result in a liability, if any, that may be significantly lower than the claimed amount.

14. Salaries and Benefits Disclosure

Details of Executive and Board member remuneration are presented in the Compensation Discussion and Analysis section of the Corporation's 2025 Annual Report.

15. Financial Instruments

Liquidity risk is the risk of not being able to meet the Corporation's cash requirements in a timely and cost-effective manner. The Corporation's only source of liquidity is amounts charged to pension plans and plan corporations (Note 7).

It is management's opinion that the Corporation is not exposed to any risk arising from this financial instrument.

16. 2025 Budget

The Corporation's 2025 budget was approved by the Board of Directors on December 4, 2024.

17. Approval of Financial Statements

The Board approved the financial statements of the Corporation.

Public Interest Disclosure (Whistleblower Protection) Act

Supplementary Information Required by Legislation

For the year ended December 31, 2025 (Unaudited)

Section 32 of the *Public Interest Disclosure (Whistleblower Protection) Act* (the “Act”) requires the

- a) the number of disclosures received by or referred to the designated officer of the Corporation, the number of disclosures acted on, and the number of disclosures not acted on by the designated officer;
- b) the number of investigations commenced by the designated officer as a result of the disclosures; and
- c) in the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations made or corrective measures taken in relation to the wrongdoing, or the reasons why no corrective measure was taken.

In 2025, the Corporation’s designated officer did not receive or were referred any disclosures of wrongdoing as described in s. 3(1) of the *Public Interest Disclosure (Whistleblower Protection) Act*.

CORPORATE INFORMATION

(as at December 31, 2025)



Doug Woloshyn

President &
Chief Executive Officer



Steven French

Vice President, Client Relations
& Chief Strategy Officer



Yolanda Van Wachem

General Counsel &
Corporate Secretary



Javier Lozano

Vice President, Information
Services and Technology &
Chief Information Officer



Amrita Kharbanda

Vice President, Finance &
Chief Financial Officer



Katherine Salucop

Vice President, Human
Resources and Organizational
Development



Vladimir Ahmad

Vice President,
Pensions Services



From left to right:

Back row: Steven French, Katherine Salucop, Doug Woloshyn, Vladimir Ahmad

Front row: Javier Lozano, Amrita Kharbanda, Yolanda Van Wachem.

The APS executive team continued to build momentum toward our shared goals, operating on a strong, steady foundation following the significant transitions of 2024. In January 2025, Vladimir Ahmad joined APS as the Vice President, Pensions Services.

Javier Lozano joined APS in February 2025 as the Vice President, Information Services and Technology & Chief Information Officer.

In June 2025, Katherine Salucop joined the executive team as Vice President, Human Resources and Organizational Development. She succeeds Tamara Janzen, who retired after 14 years of dedicated service to APS.



30 YEARS

5103 Windermere Blvd. SW
Edmonton, AB T6W 0S9
Toll-free: 1.800.661.8198
memberservices@apsc.ca

apsc.ca